PERTH & KINROSS COUNCIL LEASE

SUBJECT TO PERTH & KINROSS COUNCIL APPROVAL

Subjects: George Duncan Athletics Arena, Gowans Terrace, Perth

Landlord: Perth & Kinross Council

Landlord's

Agents:

Head of Planning & Development, Perth & Kinross Council, Pullar

House, Kinnoull Street, Perth, PH1 5GD

Landlord's Solicitor:

Head of Legal and Governance Services, Perth & Kinross Council,

2 High Street, Perth, PH1 5PH

Tenant: Live Active Leisure, Caledonia House, Hay Street, Perth, PH1 5HS

Tenant's Peter Stewart

Solicitors: Anderson Beaton Lamond

Solicitors

Bordeaux House 31 Kinnoull Street

Perth PH1 5EN

Telephone: 01738 639999

Fax: 01738 630063

Type of Lease: Lease

Lease

19 years and 364 days

Duration:

Date of Entry: To be agreed

Rent: £1 per annum if asked.

Rent Reviews: Not Applicable

Extent of Subjects:

The extent of the leased area is shown outlined in green

Break Clause: Both The Landlord and the Tenant shall be entitled to terminate the

Lease every 5 years on giving the other party 6 months' notice in

writing of their intention so to do.

Use:

The subjects shall be used for the provision and management of athletic facilities including the use of the athletic track, long jump track and sand pit, and any other athletic facility within the Subjects together with the grandstand (inclusive of the changing rooms, showers, toilets, office and sundry stores) in line with the current use as set by Education & Children Services and for no other purpose whatsoever. In the event that the Tenant ceases to use the Subjects for the approved use, the lease shall terminate with immediate effect and the Subjects shall revert to the Landlord.

The Subjects are to be managed from the North Inch Community Campus building.

The Tenant will be solely responsible for the opening and locking up of the Subjects. The Landlord to be advised where the location of the key(s) is / are.

The Tenant shall be responsible for the maintenance of a fire register and fire drills.

The Tenant is responsible for PAT testing of all electrical equipment whether portable or not.

Repairs: <u>Grandstand</u>

The Landlord will be responsible for keeping the grandstand in a good state of condition and repair throughout the duration of the lease. Any repairs or improvements will be at the Landlords sole discretion.

The Tenant accepts the grandstand as being fit for their purpose and will be responsible for all internal decoration and minor internal maintenance works and repairs.

The Tenant will be responsible for the repairs of any damage caused by the users of the Subjects.

The Tenant will be responsible for keeping the Subjects in a neat and tidy condition.

Arena

The Landlord will be responsible for keeping the arena in a good state of condition and repair throughout the duration of the lease. Any repairs or improvements will be at the Landlords sole discretion.

The Tenant accepts the arena as being fit for their purpose and will be responsible for minor internal maintenance works and repairs.

The Tenant is responsible for maintaining the sandpits and litter picking within the perimeter fence.

For the avoidance of doubt the following maintenance / repair regime is presently in place and will continue as follows:

Athletics track: The track will be professionally cleaned every three years and paid for by the Landlord

Long jump/run up: The Tenant will carry out basic maintenance of the pits, ensuring that they are fit for purpose. This includes, raking the pits/edging around the pits, cleaning out of the troughs. The Tenant will contact the Landlord to provide more sand when required

Perimeter fence: The Tenant will carry out a visual inspection on a weekly basis and report any defect to the Landlord

Grass cutting: is carried out by a contractor appointed by the Landlord

Litter picking: is the responsibility of the Perth Grammar School during term time; however the Tenant will carry out litter picking during opening hours

Floodlights: are the responsibility of the Landlord. The Tenant will operate the lights when required during opening hours and report any defects to the Landlord. The Landlord will carry out an annual inspection and maintenance schedule

Equipment: The Tenant will carry out visual checks on equipment and report any defects/faults to the Landlord. The Landlord will replace any defective / faulty equipment subject to budgetary provision.

Water provision: The Tenant will water the sand in the Long Jump pit as and when deemed to be required

Marking of lines: is carried out by a contractor appointed by the Landlord

Alterations:

The Tenant will require the Landlord's prior written consent to carry out any alterations, additions or extensions on or to the Subjects.

Insurance:

The Landlord will be responsible for the insurance of all of the buildings on the Subjects including the perimeter fencing and athletics track, etc.

The Tenant will be responsible for insuring the contents within the Subjects, as detailed in the Service Level Agreement.

The Tenant will be responsible for obtaining Public Liability Insurance, including occupier's liability insurance for no less than £5,000,000 (Five Million Pounds).

The Tenant shall indemnify the Landlord against all claims which may arise as a result of the Tenant's use of the Subjects.

Alienation:

The Tenant will not assign or sub-let the whole or part of the subjects to another party. The Tenant will however be permitted to enter into a Hire Agreement of the subjects to third parties and keep the income generated by such agreements.

Termination:

The Landlord, at their sole discretion, may call upon the Tenant to remove any buildings or erections constructed by the Tenant on the Subjects at the expiry of the Lease.

Outgoings:

The Tenant will be responsible for the payment of rates, or for applying for rates relief, as appropriate.

The Landlord will be responsible for water and sewerage charges, electricity charges, gas charges standing charges, telephone charges in respect of the leased Subjects.

The Tenant will arrange for, and pay for, the removal of all rubbish and refuse.

The Tenant will be responsible for all operational costs including staff.

The Tenant will be responsible for all costs involved in marketing the Subjects.

Services Connections:

The Landlord will be responsible for all water and sewerage, electricity, gas and telephone connections.

Statutory Conditions

The Tenant will comply with all Acts of Parliament, Statutory notices and Legislation.

Other Conditions:

The Landlord & Tenant shall enter into a Property Agreement incorporating a Schedule of Maintenance Responsibilities.

Such other conditions which may be agreed between the parties.

Costs:

Each party will bear their own costs incurred with the granting of this lease.

Special Note:

These Heads of Terms are not intended to form part of any legally binding contract and are expressly subject to

completion of formal legal missives in accordance with Scots Law.

Reference: GDAA LAL draft

Date: 16/10/2017

Revision: A

